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Analysis of the Effects of Medicaid Expansion and Economic Changes on Social Security Disability Insurance Enrollment Rates

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Over the past thirty years, non-elderly Social Security Disability Insurance (SSDI) enrollment rates have increased by over forty percent, though there has been a sudden and steady decrease in the annual number of people enrolling into the program throughout the mid to late 2010's. This decrease in enrollment seems to have begun at the same time as the enactment of the Patient Protection and Affordable Care Act (PPACA) and the state-by-state expansion of Medicaid that was outlined in it. We hypothesize that due to state-by-state Medicaid expansion that was outlined in the PPACA, enrollment rates for SSDI steadily dropped throughout the 2010's due to changes in economic incentives and health insurance availability. Before and after the enactment of the Affordable Care Act, beneficiaries of SSDI were and continue to be eligible for Medicare after a two year wait period starting at the first month that benefits are received. Medicaid expansion allowed for the states that did so to offer their most in-need residents access to health insurance, thereby decreasing a potential enrollee's incentive to apply for SSDI in hopes of receiving Medicare benefits. Using annual state-by-state data from the Social Security Administration, Center for Medicare and Medicaid Services, and the Federal Reserve Economic Data website, we constructed a statistical model in the data analysis software Stata/SE to observe and analyze if any relationship exists between SSDI and Medicare enrollment and PPACA related Medicaid expansion. While there is statistical evidence to partially support our original hypothesis, the downward pre-trend of such enrollment rates prior to the enactment of the PPACA leads us to believe that the PPACA is not the only legal or economic factor influencing SSDI enrollment.